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NIO/EUR 5 August 1986

HUNGARY: RENEWED INTEREST IN A KADAR VISIT HERE

Ambassador Salgo recently reported that Kadar might be willing to visit the US and see President Reagan as early as this fall's UNGA or failing that in early 1987. If these leads are true, Budapest has made a major shift on the issue since Kadar personally turned off speculations about a meeting with President Reagan during his talks with the Ambassador last fall. Kadar then urged almost plaintively that the issue be set aside until a more convenient time. (He was still anxious due to the Vice President's unwelcome praise in his Vienna speech.)

-- Such a shift would have been made only if Gorbachev had blessed the project in advance and it fits into his overall strategy in dealing with the US. (The two leaders met in Budapest in June and the issue plausibly might have been raised then.) In any event, it fits into a design -- advanced at the last Warsaw Pact summit -- for more active East-West contacts in support of Soviet priorities.

Kadar has been very active in seeing Western dignitaries in recent years but he is no grandstander on the international stage. As far as we know all the visits were well planned and we think most, if not all, were cleared well in advance with the Soviets. Indeed, each visit has in the long term served Soviet interests as it played on Kadar's role as a reform-minded moderate in creating a deceptively reasonable dialogue on East-West issues.

- -- Kadar might indeed be an effective low-key spokesman for the Soviets -- especially in the runup to another summit -- and the Soviets apparently would count on the balance of public relations gains to favor them.
- -- He may hope for spinoff benefits for his regime which is in a deep malaise over a stagnating economy, a growing opposition movement and an incipient trend among his subordinates to see Kadar as burned out of reformist ideas.

It is less clear how a Kadar visit would serve US interests -- unless that event were to make a difference in achievements of our differentiation policy toward East Europe. And we would argue that to the extent that goal is pursued as the Vice President's speech showed, the Hungarians' taste for the visit will wane.

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